



3014 (02-02-05)

ANNUAL REPORT

OF

Name: VILLAGE OF CALEDONIA - WATER UTILITY - DISTRICT NO. 1

Principal Office: 6922 NICHOLSON ROAD
CALEDONIA, WI 53108

For the Year Ended: DECEMBER 31, 2005

WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

SIGNATURE PAGE

I ROBERT LUI of
(Person responsible for accounts)

VILLAGE OF CALEDONIA - WATER UTILITY - DISTRICT NO. 1, certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

(Signature of person responsible for accounts)

03/30/2006
(Date)

UTILITY MANAGER

(Title)

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: VILLAGE OF CALEDONIA - WATER UTILITY - DISTRICT NO. 1**Utility Address:** 6922 NICHOLSON ROAD
CALEDONIA, WI 53108**When was utility organized?** 1/1/1963**Report any change in name:****Effective Date:****Utility Web Site:**

Utility employee in charge of correspondence concerning this report:

Name: ROBERT LUI**Title:** MANAGER**Office Address:**6922 NICHOLSON ROAD
CALEDONIA, WI 53108**Telephone:** (262) 835 - 7765**Fax Number:** (262) 835 - 2247**E-mail Address:** n/a

Individual or firm, if other than utility employee, preparing this report:

Name: JOHN KNEPEL**Title:** PARTNER**Office Address:** VIRCHOW, KRAUSE & COMPANY115 SOUTH 84TH STREET, SUITE 400
MILWAUKEE, WI 53214**Telephone:** (414) 777 - 5500 EXT 5309**Fax Number:** (414) 777 - 5555**E-mail Address:** jknepel@virchowkrause.com

President, chairman, or head of utility commission/board or committee:

Name: RONALD KELAND**Title:** PRESIDENT OF COMMISSION**Office Address:**6922 NICHOLSON ROAD
CALEDONIA, WI 53108**Telephone:** (262) 835 - 7765**Fax Number:** (262) 835 - 2247**E-mail Address:** n/a

Are records of utility audited by individuals or firms, other than utility employee? YES

IDENTIFICATION AND OWNERSHIP

Individual or firm, if other than utility employee, auditing utility records:

Name: JOHN KNEPEL**Title:** PARTNER**Office Address:** VIRCHOW, KRAUSE & COMPANY
115 SOUTH 84TH STREET, SUITE 400
MILWAUKEE, WI 53214**Telephone:** (414) 777 - 5500 EXT 5359**Fax Number:** (414) 777 - 5555**E-mail Address:** jknepel@virchowkrause.com**Date of most recent audit report:** 2/21/2006**Period covered by most recent audit:** JANUARY 1, 2005 - DECEMBER 31, 2005

Names and titles of utility management including manager or superintendent:

Name: ROBERT LUI**Title:** MANAGER**Office Address:**
6922 NICHOLSON ROAD
CALEDONIA, WI 53108**Telephone:** (262) 835 - 7765**Fax Number:** (262) 835 - 2247**E-mail Address:** n/a

Name of utility commission/committee: CALEDONIA WATER UTILITY DISTRICT #1

Names of members of utility commission/committee:DR JOHN FRITSCHKE, COMMISSIONER
MR RONALD KELAND, PRESIDENT
MR J. FELIX MCCAULEY, COMMISSIONER
MR ROBERT WITTKE, SECRETARY
MR WAYNE WORDEN, VICE PRESIDENT

Is sewer service rendered by the utility? NO**If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes?** NO**Date of Ordinance:** 

Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)? NO

Provide the following information regarding the provider(s) of contract services:

IDENTIFICATION AND OWNERSHIP

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

Provide a brief description of the nature of Contract Operations being provided:

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	770,192	690,546	1
Operating Expenses:			
Operation and Maintenance Expense (401-402)	552,135	490,811	2
Depreciation Expense (403)	106,032	101,775	3
Amortization Expense (404-407)	38,462	38,462	4
Taxes (408)	6,190	5,311	5
Total Operating Expenses	702,819	636,359	
Net Operating Income	67,373	54,187	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	67,373	54,187	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Income from Nonutility Operations (417)	0	0	8
Nonoperating Rental Income (418)	0	0	9
Interest and Dividend Income (419)	152,951	114,913	10
Miscellaneous Nonoperating Income (421)	42,976	461,722	11
Total Other Income	195,927	576,635	
Total Income	263,300	630,822	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(23,483)	(23,483)	12
Other Income Deductions (426)	159,555	148,630	13
Total Miscellaneous Income Deductions	136,072	125,147	
Income Before Interest Charges	127,228	505,675	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	317,297	235,871	14
Amortization of Debt Discount and Expense (428)	47,326	37,653	15
Amortization of Premium on Debt--Cr. (429)	0	0	16
Interest on Debt to Municipality (430)	972	1,777	17
Other Interest Expense (431)	0	0	18
Interest Charged to Construction--Cr. (432)	0	0	19
Total Interest Charges	365,595	275,301	
Net Income	(238,367)	230,374	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	10,041,171	9,511,323	20
Balance Transferred from Income (433)	(238,367)	230,374	21
Miscellaneous Credits to Surplus (434)	314,933	299,474	22
Miscellaneous Debits to Surplus--Debit (435)	334,020	0	23
Appropriations of Surplus--Debit (436)	0	0	24
Appropriations of Income to Municipal Funds--Debit (439)	0	0	25
Total Unappropriated Earned Surplus End of Year (216)	9,783,717	10,041,171	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Income from Nonutility Operations, Account 417.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	770,192		770,192	1
Total (Acct. 400):	770,192	0	770,192	
Operation and Maintenance Expense (401-402):				
Derived	552,135		552,135	2
Total (Acct. 401-402):	552,135	0	552,135	
Depreciation Expense (403):				
Derived	106,032		106,032	3
Total (Acct. 403):	106,032	0	106,032	
Amortization Expense (404-407):				
Derived	38,462		38,462	4
Total (Acct. 404-407):	38,462	0	38,462	
Taxes (408):				
Derived	6,190		6,190	5
Total (Acct. 408):	6,190	0	6,190	
Revenues from Utility Plant Leased to Others (412):				
NONE	0		0	6
Total (Acct. 412):	0	0	0	
Expenses of Utility Plant Leased to Others (413):				
NONE	0		0	7
Total (Acct. 413):	0	0	0	
TOTAL UTILITY OPERATING INCOME:	67,373	0	67,373	

OTHER INCOME**Income from Merchandising, Jobbing and Contract Work (415-416):**

Derived	0		0	8
Total (Acct. 415-416):	0	0	0	

Income from Nonutility Operations (417):

NONE	0		0	9
Total (Acct. 417):	0	0	0	

Nonoperating Rental Income (418):

NONE	0		0	10
Total (Acct. 418):	0	0	0	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Income from Nonutility Operations, Account 417.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Interest and Dividend Income (419):			
INTEREST INCOME	152,951	0	152,951 11
Total (Acct. 419):	152,951	0	152,951
Miscellaneous Nonoperating Income (421):			
Contributed Plant - Water		42,976	42,976 12
NONE	0	0	0 13
Total (Acct. 421):	0	42,976	42,976
TOTAL OTHER INCOME:	152,951	42,976	195,927

MISCELLANEOUS INCOME DEDUCTIONS

Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(23,483)		(23,483) 14
NONE	0	0	0 15
Total (Acct. 425):	(23,483)	0	(23,483)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water		159,555	159,555 16
NONE	0	0	0 17
Total (Acct. 426):	0	159,555	159,555
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(23,483)	159,555	136,072

INTEREST CHARGES**Interest on Long-Term Debt (427):**

Derived	317,297		317,297 18
Total (Acct. 427):	317,297	0	317,297

Amortization of Debt Discount and Expense (428):

1998 DISCOUNT	13,451		13,451 19
2004 DISCOUNT	32,470		32,470 20
2005 DISCOUNT	1,405		1,405 21
Total (Acct. 428):	47,326	0	47,326

Amortization of Premium on Debt--Cr. (429):

NONE	0		0 22
Total (Acct. 429):	0	0	0

Interest on Debt to Municipality (430):

Derived	972		972 23
Total (Acct. 430):	972	0	972

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Income from Nonutility Operations, Account 417.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
INTEREST CHARGES			
Other Interest Expense (431):			
Derived	0		0 24
Total (Acct. 431):	0	0	0
Interest Charged to Construction--Cr. (432):			
NONE	0		0 25
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	365,595	0	365,595
NET INCOME:	(121,788)	(116,579)	(238,367)
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	1,686,265	8,354,906	10,041,171 26
Total (Acct. 216):	1,686,265	8,354,906	10,041,171
Balance Transferred from Income (433):			
Derived	(121,788)	(116,579)	(238,367) 27
Total (Acct. 433):	(121,788)	(116,579)	(238,367)
Miscellaneous Credits to Surplus (434):			
TAXES LEVIED FOR OPERATIONS	314,933	0	314,933 28
Total (Acct. 434):	314,933	0	314,933
Miscellaneous Debits to Surplus--Debit (435):			
RESTATEMENT FOR DEFERRED SPECIAL ASSESSMENT	0	334,020	334,020 29
Total (Acct. 435)--Debit:	0	334,020	334,020
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 30
Total (Acct. 436)--Debit:	0	0	0
Appropriations of Income to Municipal Funds--Debit (439):			
NONE	0	0	0 31
Total (Acct. 439)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	1,879,410	7,904,307	9,783,717

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)	0				0	1
Costs & Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	770,192	0	0	0	770,192	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents	0	0		0	0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	770,192	0	0	0	770,192	

DISTRIBUTION OF TOTAL PAYROLL

1. Amounts charged to Utility Financed and to Contributed Plant accounts should be combined and reported in plant or accumulated depreciation accounts.
2. Amount originally charged to clearing accounts as shown in column (b) should be shown as finally distributed in column (c).
3. The amount for clearing accounts in column (c) is entered as a negative for account "Clearing Accounts" and the distributions to accounts on all other lines in column (c) will be positive with the total of column (c) being zero.
4. Provide additional information in the schedule footnotes when necessary.

Accounts Charged (a)	Direct Payroll Distribution (b)	Allocation of Amounts Charged Clearing Accts. (c)	Total (d)	
Water operating expenses	53,238		53,238	1
Electric operating expenses			0	2
Gas operating expenses			0	3
Heating operating expenses			0	4
Sewer operating expenses			0	5
Merchandising and jobbing			0	6
Other nonutility expenses			0	7
Water utility plant accounts	8,448		8,448	8
Electric utility plant accounts			0	9
Gas utility plant accounts			0	10
Heating utility plant accounts			0	11
Sewer utility plant accounts			0	12
Accum. prov. for depreciation of water plant			0	13
Accum. prov. for depreciation of electric plant			0	14
Accum. prov. for depreciation of gas plant			0	15
Accum. prov. for depreciation of heating plant			0	16
Accum. prov. for depreciation of sewer plant			0	17
Clearing accounts			0	18
All other accounts			0	19
Total Payroll	61,686	0	61,686	

FULL-TIME EMPLOYEES (FTE)

Use FTE numbers where FTE stands for full-time employees or full-time equivalency. FTE can be computed by using total hours worked/2080 hours for a fiscal year. Estimate to the nearest tenth. If an employee works part time for more than one industry then determine FTE based on estimate of hours worked per industry.

Example: An employee worked 35% of their time on electric jobs, 30% on water jobs, 20% on sewer jobs and 15% on municipal nonutility jobs. The FTE by industry would be .4 for electric, .3 for water and .2 for sewer.

Industry (a)	FTE (b)	
Water	1.2	1
Electric		2
Gas		3
Sewer		4

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	17,306,993	14,418,947	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	1,352,117	1,096,650	2
Net Utility Plant	15,954,876	13,322,297	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	0	0	5
Other Investments (124)	3,715,592	2,244,235	6
Special Funds (125)	0	0	7
Total Other Property and Investments	3,715,592	2,244,235	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	2,419,721	1,515,649	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	118,455	94,315	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	1,015,823	1,038,896	14
Materials and Supplies (150)	0	0	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	3,553,999	2,648,860	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	161,177	172,753	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	38,462	20
Total Deferred Debits	161,177	211,215	
Total Assets and Other Debits	23,385,644	18,426,607	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	0	0	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	9,783,717	10,041,171	23
Total Proprietary Capital	9,783,717	10,041,171	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	17,120	34,239	25
Other Long-Term Debt (224)	8,795,000	6,800,000	26
Total Long-Term Debt	8,812,120	6,834,239	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	1,049,063	139,920	28
Payables to Municipality (233)	0	0	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	45,705	30,953	32
Other Current and Accrued Liabilities (238)	2,892	2,459	33
Total Current and Accrued Liabilities	1,097,660	173,332	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)	511,501	399,419	35
Other Deferred Credits (253)	3,180,646	978,446	36
Total Deferred Credits	3,692,147	1,377,865	
OPERATING RESERVES			
Property Insurance Reserve (261)			37
Injuries and Damages Reserve (262)			38
Pensions and Benefits Reserve (263)			39
Miscellaneous Operating Reserves (265)			40
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	23,385,644	18,426,607	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
First of Year:					
Total Utility Plant - First of Year	14,418,947	0	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
Plant Accounts:					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (101.1)	4,905,761	0	0	0	2
Utility Plant in Service - Contributed Plant (101.2)	10,489,627	0	0	0	3
Utility Plant Purchased or Sold (102)					4
Utility Plant in Process of Reclassification (103)					5
Utility Plant Leased to Others (104)					6
Property Held for Future Use (105)					7
Completed Construction not Classified (106)					8
Construction Work in Progress (107)	1,911,605				9
Utility Plant Acquisition Adjustments (108)					10
Other Utility Plant Adjustments (109)					11
Total Utility Plant	17,306,993	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (110.1)	434,598	0	0	0	12
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	917,519	0	0	0	13
Total Accumulated Provision	1,352,117	0	0	0	
Net Utility Plant	15,954,876	0	0	0	

**ACCUMULATED PROVISION FOR DEPRECIATION AND
AMORTIZATION OF UTILITY PLANT ON UTILITY PLANT
FINANCED BY UTILITY OPERATIONS OR BY THE MUNICIPALITY
(ACCT. 110.1)**

Depreciation Accruals (Credits) during the year (110.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	338,686				338,686	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	106,032				106,032	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	106,032	0	0	0	106,032	16
Debits during year						17
Book cost of plant retired	10,120				10,120	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	10,120	0	0	0	10,120	25
Balance end of year (110.1)	434,598	0	0	0	434,598	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT ON CONTRIBUTED PLANT IN SERVICE (ACCT. 110.2)

Depreciation Accruals (Credits) during the year (110.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	757,964				757,964	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	159,555				159,555	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	159,555	0	0	0	159,555	16
Debits during year						17
Book cost of plant retired	0				0	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	0	0	0	0	0	25
Balance end of year (110.1)	917,519	0	0	0	917,519	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	0			0	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	0	0	0	0	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	0	0	0	0	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Additions:		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	<u>0</u>	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	<u>0</u>	
Balance end of year	<u><u>0</u></u>	

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)
Electric Utility						
Fuel for generation					0	0 1
Other					0	0 2
Total Electric Utility					0	0

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0 1
Water utility		0 2
Sewer utility		0 3
Gas utility		0 4
Merchandise		0 5
Other materials & supplies		0 6
Total Materials and Supplies	0	0

UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT (ACCTS. 181 AND 251)

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
1998 DEBT DISCOUNT	13,451	428	3,363	1
2004 DEBT DISCOUNT	32,470	428	123,469	2
2005 DEBT DISCOUNT	1,405	428	34,345	3
NONE				4
Total			161,177	
Unamortized premium on debt (251)				
NONE				5
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	0	1
Changes during year (explain):		
NONE		2
Balance end of year	0	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)
-------------------------------------	----------------------------------	--	----------------------------------	---

NONE

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Advances (223)					
ADVANCE FROM TOWN	01/01/1996	03/15/2006	4.70%	17,120	1
Total for Account 223				17,120	
Other Long-Term Debt (224)					
GENERAL OBLIGATION REFUNDING BONDS	05/01/2004	05/01/2014	2.75%	4,080,000	2
GENERAL OBLIGATION REFUNDING BONDS	04/01/2005	05/01/2024	3.50%	2,785,000	3
GENERAL OBLIGATION REFUNDING BONDS	12/01/1998	06/01/2016	4.00%	1,930,000	4
Total for Account 224				8,795,000	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	6,190	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	6,190	
Taxes paid during year:		
County, state and local taxes		6
Social Security taxes	5,553	7
PSC Remainder Assessment	637	8
Other (explain):		
NONE		9
Total payments and other debits	6,190	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
 2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE	0			0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
ADVANCES TO MUNICIPALITY	1,274	972	1,609	637	2
Subtotal	1,274	972	1,609	637	
Other Long-Term Debt (224)					
GENERAL OBLIGATION NOTES	788	28,394	29,182	0	3
GENERAL OBLIGATION REFUNDING BONDS	28,891	288,903	272,726	45,068	4
Subtotal	29,679	317,297	301,908	45,068	
Notes Payable (231)					
NONE	0			0	5
Subtotal	0	0	0	0	
Total	30,953	318,269	303,517	45,705	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
SPECIAL ASSESSMENT RECEIVABLE	3,715,592	2
Total (Acct. 124):	3,715,592	
Special Funds (125):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	118,455	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	118,455	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
NONE		11
Total (Acct. 143):	0	
Receivables from Municipality (145):		
SPECIAL ASSESSMENTS ON TAX ROLL	450,618	12
DELINQUENT ACCOUNTS ON TAX ROLL	60,335	13
SUBSEQUENT YEARS TAX LEVY	504,870	14
Total (Acct. 145):	1,015,823	
Prepayments (165):		
NONE		15
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		16
Total (Acct. 182):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Other Deferred Debits (183):		
UNAMORTIZED CONSTRUCTION COSTS - PSC AUTHORIZED	0	17
Total (Acct. 183):	0	
Payables to Municipality (233):		
NONE	0	18
Total (Acct. 233):	0	
Other Deferred Credits (253):		
Regulatory Liability	422,700	19
DEFERRED SPECIAL ASSESSMENTS	2,253,076	20
SUBSEQUENT YEAR'S TAX LEVY	504,870	21
Total (Acct. 253):	3,180,646	

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include contributed plant in service, property held for future use, or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service (101.1)	4,860,522	0	0	0	4,860,522	1
Materials and Supplies	0	0	0	0	0	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation (110.1)	386,642	0	0	0	386,642	4
Customer Advances for Construction					0	5
Regulatory Liability	434,441	0	0	0	434,441	6
NONE					0	7
Average Net Rate Base	4,039,439	0	0	0	4,039,439	
Net Operating Income	67,373	0	0	0	67,373	8
Net Operating Income as a percent of						
Average Net Rate Base	1.67%	N/A	N/A	N/A	1.67%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

NONE

**REGULATORY LIABILITY - PRE-2003 HISTORICAL
ACCUMULATED DEPRECIATION ON CONTRIBUTED UTILITY
PLANT (253)**

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Balance First of Year	446,183	0	0	0	446,183	1
Add credits during year:						
NONE					0	2
Deduct charges:						
Miscellaneous Amortization (425)	23,483	0	0	0	23,483	3
Other (specify):						
NONE					0	4
Balance End of Year	422,700	0	0	0	422,700	

FINANCIAL SECTION FOOTNOTES

Balance Sheet End-of-Year Account Balances (Page F-19)

Other Deferred Debits (Acct 183): amortization requires PSC authorization. Provide date of authorization.

The PSC authorized the unamortized discount on 6/19/01.

Please explain amounts in Accounts 143, 145 and/or 233 in excess of \$5,000, providing a short list or detail using other than terms such as "other revenues" "general" "miscellaneous" or repeating the account title.

Done

FINANCIAL SECTION FOOTNOTES

Signature Page (Page ii)

General footnotes

ACCOUNTANTS' COMPILATION REPORT

To the Village Board
Village of Caledonia
Racine County, Wisconsin

We have compiled, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants, the balance sheets of the Village of Caledonia Water Utility District No. 1, an enterprise fund of the Village of Caledonia as of December 31, 2005 and 2004, and the related statements of income and retained earnings for the years then ended and the supplemental schedules as of and for the year ended December 31, 2005 in the accompanying prescribed form.

Our compilation was limited to presenting, in the form prescribed by the Public Service Commission of Wisconsin, information that is the representation of management. We have not audited or reviewed the financial statements and supplemental schedules referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

The financial statements and related supplemental schedules are presented in accordance with the requirements of the Public Service Commission of Wisconsin, which differ from accounting principles generally accepted in the United States of America. This report is intended solely for the information and use of the Public Service Commission of Wisconsin and is not intended and should not be used by anyone other than the specified party.

Milwaukee, Wisconsin
February 21, 2006

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	763,483	686,162	1
Total Sales of Water	763,483	686,162	
Other Operating Revenues			
Forfeited Discounts (470)	4,439	2,887	2
Miscellaneous Service Revenues (471)	2,270	1,497	3
Rents from Water Property (472)	0	0	4
Interdepartmental Rents (473)	0	0	5
Other Water Revenues (474)	0	0	6
Total Other Operating Revenues	6,709	4,384	
Total Operating Revenues	770,192	690,546	
Operation and Maintenance Expenses			
Source of Supply Expenses (600-605)	297,961	284,166	7
Pumping Expenses (620-625)	5,084	4,956	8
Water Treatment Expenses (630-635)	1,597	1,779	9
Transmission and Distribution Expenses (640-655)	46,419	49,671	10
Customer Accounts Expenses (901-904)	21,364	21,869	11
Sales Expenses (910)	0	0	12
Administrative and General Expenses (920-935)	179,710	128,370	13
Total Operation and Maintenance Expenses	552,135	490,811	
Other Operating Expenses			
Depreciation Expense (403)	106,032	101,775	14
Amortization Expense (404-407)	38,462	38,462	15
Taxes (408)	6,190	5,311	16
Total Other Operating Expenses	150,684	145,548	
Total Operating Expenses	702,819	636,359	
NET OPERATING INCOME	67,373	54,187	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	1,549	114,983	422,519	4
Commercial	85	40,602	120,787	5
Industrial	21	6,933	20,847	6
Total Metered Sales to General Customers (461)	1,655	162,518	564,153	
Private Fire Protection Service (462)	25		9,460	7
Public Fire Protection Service (463)	1		189,870	8
Other Sales to Public Authorities (464)				9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	1,681	162,518	763,483	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
------------------------------------	--	--	-------------------------------

NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1 or Fd-1)	189,870	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	189,870	
Forfeited Discounts (470):		
Customer late payment charges	4,439	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	4,439	
Miscellaneous Service Revenues (471):		
SPECIAL ASSESSMENT LETTERS	1,620	7
MISCELLANEOUS	650	8
Total Miscellaneous Service Revenues (471)	2,270	
Rents from Water Property (472):		
NONE		9
Total Rents from Water Property (472)	0	
Interdepartmental Rents (473):		
NONE		10
Total Interdepartmental Rents (473)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department		11
Other (specify):		
NONE		12
Total Other Water Revenues (474)	0	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 25 percent, but not less than \$5,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
SOURCE OF SUPPLY EXPENSES			
Operation Labor (600)	1,065	1,186	1
Purchased Water (601)	296,896	282,980	2
Operation Supplies and Expenses (602)		0	3
Maintenance of Water Source Plant (605)		0	4
Total Source of Supply Expenses	297,961	284,166	
PUMPING EXPENSES			
Operation Labor (620)	1,065	1,186	5
Fuel for Power Production (621)		0	6
Fuel or Power Purchased for Pumping (622)	2,591	2,169	7
Operation Supplies and Expenses (623)		0	8
Maintenance of Pumping Plant (625)	1,428	1,601	9
Total Pumping Expenses	5,084	4,956	
WATER TREATMENT EXPENSES			
Operation Labor (630)	1,597	1,779	10
Chemicals (631)		0	11
Operation Supplies and Expenses (632)		0	12
Maintenance of Water Treatment Plant (635)		0	13
Total Water Treatment Expenses	1,597	1,779	
TRANSMISSION AND DISTRIBUTION EXPENSES			
Operation Labor (640)	1,065	1,186	14
Operation Supplies and Expenses (641)	4,377	1,794	15
Maintenance of Distribution Reservoirs and Standpipes (650)	2,493	2,787	16
Maintenance of Mains (651)	5,856	7,372	17
Maintenance of Services (652)	2,857	3,202	18
Maintenance of Meters (653)	14,425	16,132	19
Maintenance of Hydrants (654)	12,489	13,996	20
Maintenance of Other Plant (655)	2,857	3,202	21
Total Transmission and Distribution Expenses	46,419	49,671	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 25 percent, but not less than \$5,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
CUSTOMER ACCOUNTS EXPENSES			
Meter Reading Labor (901)	6,921	7,711	22
Accounting and Collecting Labor (902)	13,968	13,680	23
Supplies and Expenses (903)	475	478	24
Uncollectible Accounts (904)		0	25
Total Customer Accounts Expenses	21,364	21,869	
SALES EXPENSES			
Sales Expenses (910)		0	26
Total Sales Expenses	0	0	
ADMINISTRATIVE AND GENERAL EXPENSES			
Administrative and General Salaries (920)	7,304	7,871	27
Office Supplies and Expenses (921)	3,314	3,186	28
Administrative Expenses Transferred--Credit (922)		0	29
Outside Services Employed (923)	89,776	73,865	30
Property Insurance (924)	8,835	8,832	31
Injuries and Damages (925)	2,899	2,788	32
Employee Pensions and Benefits (926)	19,749	18,481	33
Regulatory Commission Expenses (928)	37,409	4,959	34
Miscellaneous General Expenses (930)	5,010	3,991	35
Transportation Expenses (933)	4,352	3,211	36
Maintenance of General Plant (935)	1,062	1,186	37
Total Administrative and General Expenses	179,710	128,370	
Total Operation and Maintenance Expenses	552,135	490,811	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	This Year (c)	Last Year (d)	
Property Tax Equivalent			0	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department			0	2
Net property tax equivalent		0	0	
Social Security		5,553	4,415	3
PSC Remainder Assessment		637	896	4
Other (specify): NONE			0	5
Total tax expense		6,190	5,311	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	0		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	0	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	0		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	380,012		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	380,012	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	0	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			0 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			0 10
Other Water Source Plant (317)			0 11
Total Source of Supply Plant	0	0	0
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			0 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			380,012 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	380,012
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	0

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	973,612		26
Transmission and Distribution Mains (343)	2,445,395		27
Fire Mains (344)	0		28
Services (345)	458,613		29
Meters (346)	188,573	88,598	30
Hydrants (348)	245,170		31
Other Transmission and Distribution Plant (349)	43,564	0	32
Total Transmission and Distribution Plant	4,354,927	88,598	
GENERAL PLANT			
Land and Land Rights (389)	17,109		33
Structures and Improvements (390)	0		34
Office Furniture and Equipment (391)	240		35
Computer Equipment (391.1)	0		36
Transportation Equipment (392)	24,280		37
Stores Equipment (393)	0		38
Tools, Shop and Garage Equipment (394)	0		39
Laboratory Equipment (395)	0		40
Power Operated Equipment (396)	0		41
Communication Equipment (397)	0		42
SCADA Equipment (397.1)	0		43
Miscellaneous Equipment (398)	38,715	12,000	44
Other Tangible Property (399)	0		45
Total General Plant	80,344	12,000	
Total utility plant in service directly assignable	4,815,283	100,598	
Common Utility Plant Allocated to Water Department	0		46
Total utility plant in service	4,815,283	100,598	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			973,612 26
Transmission and Distribution Mains (343)			2,445,395 27
Fire Mains (344)			0 28
Services (345)			458,613 29
Meters (346)	10,120		267,051 30
Hydrants (348)			245,170 31
Other Transmission and Distribution Plant (349)			43,564 32
Total Transmission and Distribution Plant	10,120	0	4,433,405
GENERAL PLANT			
Land and Land Rights (389)			17,109 33
Structures and Improvements (390)			0 34
Office Furniture and Equipment (391)			240 35
Computer Equipment (391.1)			0 36
Transportation Equipment (392)			24,280 37
Stores Equipment (393)			0 38
Tools, Shop and Garage Equipment (394)			0 39
Laboratory Equipment (395)			0 40
Power Operated Equipment (396)			0 41
Communication Equipment (397)			0 42
SCADA Equipment (397.1)			0 43
Miscellaneous Equipment (398)			50,715 44
Other Tangible Property (399)			0 45
Total General Plant	0	0	92,344
Total utility plant in service directly assignable	10,120	0	4,905,761
Common Utility Plant Allocated to Water Department			0 46
Total utility plant in service	10,120	0	4,905,761

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	0		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	0	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	0		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	0		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	0	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	0	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			0 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			0 10
Other Water Source Plant (317)			0 11
Total Source of Supply Plant	0	0	0
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			0 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			0 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	0
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	0

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	0		26
Transmission and Distribution Mains (343)	7,262,018	863,785	27
Fire Mains (344)	0		28
Services (345)	1,412,132	120,478	29
Meters (346)	0		30
Hydrants (348)	765,235	65,979	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	9,439,385	1,050,242	
GENERAL PLANT			
Land and Land Rights (389)	0		33
Structures and Improvements (390)	0		34
Office Furniture and Equipment (391)	0		35
Computer Equipment (391.1)	0		36
Transportation Equipment (392)	0		37
Stores Equipment (393)	0		38
Tools, Shop and Garage Equipment (394)	0		39
Laboratory Equipment (395)	0		40
Power Operated Equipment (396)	0		41
Communication Equipment (397)	0		42
SCADA Equipment (397.1)	0		43
Miscellaneous Equipment (398)	0		44
Other Tangible Property (399)	0		45
Total General Plant	0	0	
Total utility plant in service directly assignable	9,439,385	1,050,242	
Common Utility Plant Allocated to Water Department	0		46
Total utility plant in service	9,439,385	1,050,242	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			0 26
Transmission and Distribution Mains (343)			8,125,803 27
Fire Mains (344)			0 28
Services (345)			1,532,610 29
Meters (346)			0 30
Hydrants (348)			831,214 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	10,489,627
GENERAL PLANT			
Land and Land Rights (389)			0 33
Structures and Improvements (390)			0 34
Office Furniture and Equipment (391)			0 35
Computer Equipment (391.1)			0 36
Transportation Equipment (392)			0 37
Stores Equipment (393)			0 38
Tools, Shop and Garage Equipment (394)			0 39
Laboratory Equipment (395)			0 40
Power Operated Equipment (396)			0 41
Communication Equipment (397)			0 42
SCADA Equipment (397.1)			0 43
Miscellaneous Equipment (398)			0 44
Other Tangible Property (399)			0 45
Total General Plant	0	0	0
Total utility plant in service directly assignable	0	0	10,489,627
Common Utility Plant Allocated to Water Department			0 46
Total utility plant in service	0	0	10,489,627

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January				0	1
February				0	2
March	39,105			39,105	3
April				0	4
May				0	5
June	68,782			68,782	6
July				0	7
August				0	8
September	62,929			62,929	9
October				0	10
November				0	11
December	47,435			47,435	12
Total annual pumpage	218,251	0	0	218,251	
Less: Water sold				162,518	13
Volume pumped but not sold				55,733	14
Volume sold as a percent of volume pumped				74%	15
Volume used for water production, water quality and system maintenance				41,056	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales				7,282	18
Total volume not sold but accounted for				48,338	19
Volume pumped but unaccounted for				7,395	20
Percent of water lost				3%	21
If more than 25%, indicate causes:					22
If more than 25%, state what action has been taken to reduce water loss:					23
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				14,620	24
Date of maximum: 6/17/2005					25
Cause of maximum:					26
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				480	27
Date of minimum: 3/4/2005					28
Total KWH used for pumping for the year				25,867	29
If water is purchased: Vendor Name: RACINE WATER UTILITY					30
Point of Delivery: (SEE FOOTNOTE)					31

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)
-------------------------	--	----------------------------------	--	---	--

NONE

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	BOOSTER STATION			1
Location	7822 DUNKELOW ROAD			2
Purpose	P			3
Destination	R			4
Pump Manufacturer	AURORA PENTAIR GROUP			5
Year Installed	2001			6
Type	CENTRIFUGAL			7
Actual Capacity (gpm)	2,800			8
Pump Motor or Standby Engine Mfr	MARATHON MOTORS			9 10
Year Installed	2001			11
Type	ELECTRIC			12
Horsepower	60			13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or Standby Engine Mfr				22 23
Year Installed				24
Type				25
Horsepower				26

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	4101 NICHOLSON ROAD		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
			3
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		4
			5
Year constructed	2001		6
			7
Primary material (earthen, steel, concrete, other)	STEEL		8
			9
Elevation difference in feet (See Headnote 3.)	121		10
			11
Total capacity in gallons (actual)	750,000		12
WATER TREATMENT PLANT			13
Disinfection, type of equipment (gas, liquid, powder, other)			14
			15
Points of application (wellhouse, central facilities, booster station, other)			16
			17
Filters, type (gravity, pressure, other, none)			18
			19
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)			20
			21
			22
Is a corrosion control chemical used (yes, no)?			23
			24
Is water fluoridated (yes, no)?			25

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

			Number of Feet					
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	6.000	17,221	0	0	0	17,221	1
P	D	6.000	45	0	0	0	45	2
M	D	8.000	11,950	0	0	0	11,950	3
P	D	8.000	57,993	8,150	0	0	66,143	4
M	T	12.000	20,525	0	0	0	20,525	5
P	T	12.000	41,268	4,323	0	0	45,591	6
P	T	16.000	5,758	955	0	0	6,713	7
M	T	20.000	13,742	4,355	0	0	18,097	8
M	T	24.000	12,896	0	0	0	12,896	9
P	T	24.000	0	0	0	0	0	10
Total Within Municipality			181,398	17,783	0	0	199,181	
Total Utility			181,398	17,783	0	0	199,181	

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	399	0	0	0	399	5	1
M	1.000	1,536	22	0	0	1,558	168	2
P	1.250		214			214	186	3
M	1.250	7	0	0	0	7		4
M	1.500	133	0	0	0	133		5
P	1.500		16			16	15	6
M	2.000	7	0	0	0	7		7
P	2.000		1			1		8
M	4.000	11	0	0	0	11		9
M	6.000	24	0	0	0	24		10
M	8.000	3	0	0	0	3		11
M	10.000	1	0	0	0	1		12
M	12.000	2	0	0	0	2		13
Total Utility		2,123	253	0	0	2,376	374	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).
5. Explain all reported adjustments as a schedule footnote.

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.750	1,570	402	88	0	1,884	88	1
1.000	16	0	0	0	16	0	2
1.500	45	1	0	0	46	0	3
2.000	12	1	0	0	13	0	4
3.000	1	0	0	0	1	1	5
4.000	1	0	0	0	1	1	6
8.000	1	0	0	0	1	1	7
12.000	0			1	1	1	8
Total:	1,646	404	88	1	1,963	92	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.750	1,575	14	17	0	0	278	1,884	1
1.000	0	13	0	0	0	3	16	2
1.500	0	46	0	0	0	0	46	3
2.000	0	9	4	0	0	0	13	4
3.000	0	1	0	0	0	0	1	5
4.000	0	1	0	0	0	0	1	6
8.000	0	1	0	0	0	0	1	7
12.000		1					1	8
Total:	1,575	86	21	0	0	281	1,963	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	0				0	1
Within Municipality	457	42			499	2
Total Fire Hydrants	457	42	0	0	499	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year.

Number of hydrants operated during year:	436
Number of distribution system valves end of year:	543
Number of distribution valves operated during year:	147

WATER OPERATING SECTION FOOTNOTES

Water Operating Revenues & Expenses (Page W-01)

If there are amounts reported under Amortization Expense (404-407) that apply to a/c 405-407, provide the date of the Commission's approval and a general description of the amortization. If this is for a/c 404, enter 'Acct 404 - N/A.'

The PSC authorized the unamortized discount on 6/19/01.

Water Operation & Maintenance Expenses (Page W-05)

For values that represent an increase or a decrease when compared to the previous year of greater than 25%, but not less \$5,000, please explain.

Account 928 - Fees as a result of consolidation and Water Rate increase application.

Water Mains (Page W-17)

If Added During Year column total is greater than zero, please explain financing following the criteria listed in the schedule headnote No. 5.

Current year additions were financed by developer contributions.

Water Services (Page W-18)

If net additions are greater than zero, please explain financing by following criteria listed in schedule headnote No. 3.

All services added during 2005 were developer financed. Actual cost obtained from the developer was used to record the additions.

Meters (Page W-19)

Explain all reported adjustments.

12" meter in use at a golf course is utility owned, however, was not reported in prior years

Ss. PSC 185.83(2) states "Station meters shall be maintained to ensure reasonable accuracy and shall have the accuracy checked at least once every 2 years." Are all station meters being tested every two years? Answer yes or no. If no, please explain.

Yes
